



KTA COMPETE – CAPACITY BUILDING INITIATIVE

REPORT ON KTA ACTIVITIES FOR THE MONTH OF FEBRUARY 2011

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As per the KTA Strategic Plan, the implementation plan is categorized as under the 5 pillars. These include:

1. Institutional Capacity and Development.
2. Advocacy.
3. Certification and Standards.
4. Membership Development.
5. Member Services.

The activities carried out in the month of February were carried out under the pillars on Advocacy, Institutional Capacity, Membership Development and Member Services.

1. ADVOCACY.

JICA HARMONIZATION AXLE LOAD STUDY – 3RD AND 4TH FEBRUARY 2011.

The issue of Axle Load and the Costs implication has been identified as the major barrier in smooth transport of cargo. The issues arising have always been that, especially for containerized cargo, the transporter has no way of ensuring Axle Compliance as the cargo is not always evenly distributed.

A second problem has been the insistence by the road highway authorities to weigh 100% of the trucks. This groups the compliant transport operators with those who are not complying with Loading regulation thus causing delays.

A third problem area has been the reluctance by Kenya to adopt the COMESA protocol recommendations that seeks to increase the maximum load limits to 56tonnes as opposed to the 48ton limit in Kenya for the Gross Vehicular Weight and 9tonnes for the Axle limits as opposed to the 8 tonnes limit in Kenya. This has created an uneven field for Kenyan transporters as this increases the cost of transport.

JICA have therefore seen it necessary to conduct a study that will seek to bring all the studies on axle load together and make recommendations to harmonize the regulations in the East African Community. As part of the study, the JICA team with the cooperation of KTA, conducted interviews with several stakeholders and Government bodies to collect information and presented recommendations for consideration as well. In addressing the situation, the recommendations made to the Government agencies were as follows:

- a. Allow transporters to have interlinks. This will increase the payload that transporters are allowed to carry while adhering to the Axle Load distribution limits.
- b. Increase the Gross Vehicular Weight to 56tonnes as per COMESA.
- c. Weigh cargo at the Port of Mombasa.
- d. KTA to establish a weighbridge for members to be able to weigh and ensure compliance before proceeding to the Government weighbridge. The transporter can thus save on the Court charges imposed on those found not to be within the Gross Vehicular Weight and Axle limit.
- e. Develop compliance certificates for those transporters who have been identified as compliant and expedite their weighing process thus decreasing the delays.

2. INSTITUTIONAL DEVELOPMENT PILLAR

- **LAUNCH OF THE CODE OF CONDUCT – 11TH FEBRUARY 2011**



The Launch of the Code of Conduct is the most significant Grant activity for the year 2011. This event happened on the 11th February 2011, at Wild Waters – MOMBASA. The invited guests constituted several Government Agencies, stakeholders, service providers among others. The Chief Guest for the day was Dr. PLO Lumumba – Director General Kenya Anti-Corruption Commission. Hon. Najib Balala – Minister for Tourism, also graced the occasion and during his speech, pledged support to the initiative by KTA and indicated willingness to support the setting up of a training school for truck-drivers. We had total number of invited guests amounting to 190.

KTA is pleased to report that the Launch was a major success, as we were able to present KTA to the stakeholders and inform on what KTA's plans are. It was also clear that there is a lot of interest in the cargo transport sector and improving the current business environment. It was clear that KTA needs to engage more.

The Code of Conduct has also generated more interest in the Association from transporters who are not members. The Secretariat now has 1 member of staff – the Marketing Officer, who is fully dedicated to contacting those and ensuring they become members. The Marketing Officer is also charged with the responsibility of sensitizing the KTA members on the Code of Conduct and ensuring all members subscribe to the Code.

3. MEMBER SERVICES.

- **PARKING FEE Court Case.**

IN January 2011, the Municipal Council of Mombasa in partnership with Summit Cove Lines Ltd, went ahead and put in place a Calling system for trucks. The need for a Calling system for trucks has been on several occasions brought out as a means of curbing Traffic Congestion in Mombasa. However the Calling system needs to be efficient. However, the Calling system put in place was not efficient in time and costs as it required that all oil tankers to pass through the Municipal parking yard and the Oil Marketers would then call the trucks from this Central Location.

It emerged during implementation that Summit Cove Lines did not have capacity to efficiently implement the system. The data indicated that the system increased delays of up to 4hours per truck with trucks that would have been loaded at 8am being loaded at 12noon. There was also an additional cost of Ksh. 450 per truck per day, whether you have your own parking arrangements or not. KTA attempted to discuss various options to address the implementation with the Calling system however these did not bear much result. It was therefore decided that KTA would go to court and file the case against the Municipal Council and its agent Summit Cove lines Ltd.

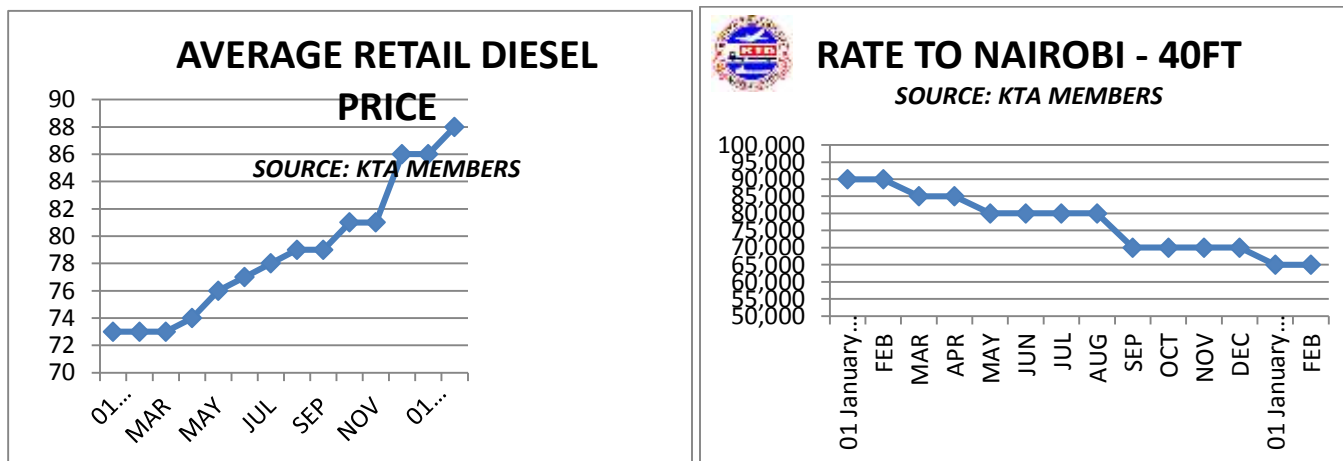
The petition was granted and the Municipal of Mombasa and all its agents were ordered to stop charging any sort of parking fees until the case is resolved in Court. On February 04th 2011, KTA again went to court to seek Contempt of Court orders against the Municipal and all its agents as they were disregarding the Court Order. This was granted and the Contempt of Court was issued on February 04th 2011.

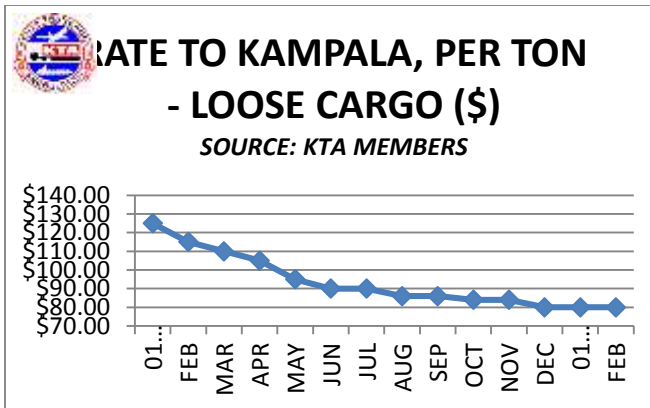
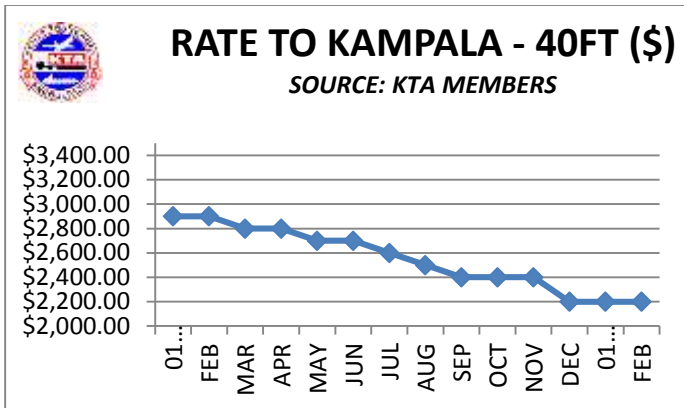
After KTA had gone to Court on the matter, the Kenya Anti-Corruption went to court charging the Municipal of Mombasa on the awarding of the Municipal of Mombasa designated parking services tender irregularly. This has greatly strengthened the KTA position on the above matter. KTA now seeks to plan and have parking areas available, so that once the case is completed and the tender for parking Services comes up, KTA would be able to tender and minimize this cost to its members.

4. MEMBERSHIP DEVELOPMENT

- **TRANSPORT RATES**

Members met on 18th February 2011. The agenda was to discuss the decline in rates and compare with the increase in fuel. The comparison showed the transport rates had plummeted despite the increase in fuel by almost 40% in the last 4 months. The comparison can be presented in the following charts:





It was therefore agreed that a taskforce of KTA members would be formed to critically review the transport costs and report back to member. The taskforce would report back on 03rd March 2011.

Report Compiled by:
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